



Lifeboats

Michael Richardson
OFCOM
Riverside House
London

Royal National Lifeboat Institution
West Quay Road, Poole, Dorset, BH15 1HZ
Tel 0845 122 6999 Fax 0845 126 1999
info@mli.org.uk rnli.org.uk

Patron: Her Majesty The Queen
President: HRH The Duke of Kent KG Chairman: Admiral the Lord Boyce GCB OBE DL
Deputy Chairmen: Ronald Neil CBE Sir Andrew Cubie CBE FRSE
Chief Executive: Paul Boissier

RNLI (Trading) Ltd 01073377 RNLI (Sales) Ltd 22022200 and RNLI (Enterprises) Ltd 1784500
are all companies registered at West Quay Road, Poole, Dorset, BH15 1HZ

25th January 2010

Dear Mr Richardson

OFCOM – “Consultation on applying spectrum pricing to the maritime sector and new arrangements for the management of spectrum used for radar and aeronautical navigation aids”

Very many thanks for the opportunity to respond to the above consultation, which arises from your consideration of responses to a first consultation on the subject of Administered Incentivised Pricing to the Maritime and Aviation Radio Spectrum.

Please find attached the RNLI responses to questions that are contained in Annex 4 of the consultation.

The RNLI is content with the proposed outcome for charities which broadly speaking, will result in a significant reduction in licence fees to charities. The introduction of working channels for administration and training purposes for SAR organisations is also welcomed.

The RNLI is still concerned that some aspects of the “Cave Report” have been ignored or rejected, particularly in relation to international agreements covering the allocation of radio spectrum for maritime use. Without consultation and agreement at international level, it is impossible to see how users have a choice to use other channels, within the proposed AIP. Leaving market forces to decide on the use of VHF channels, without consideration of the international perspective or technical solutions, such as reducing channel spacing, will achieve very little.

The RNLI disputes the logic of OFCOM, contained within paragraph 7.69 of the consultation, which suggests that a public service needs to be charged in order to make them think efficiently. This logic pre-supposes that a charity like the RNLI is not capable of applying best value practice, does not recognise the value of radio spectrum or any other resource and, by implication, does not have robust strategic and business planning principles. I cannot emphasise strongly enough that the RNLI values every penny that is donated voluntarily and such funds are given freely on the assumption that they will be spent on saving life and not to pay for taxes or licences imposed by the Government. The RNLI will continue to press for a 100% discount or complete exemption on fees for any radio spectrum used solely for, or in support of, search and rescue and safety of life.

The introduction of reduced fees to the RNLI through the proposed introduction of a UK wide licence for channel 31 duplex and to further negotiations with you on how charges will be applied to the small number of other existing users of Channel 31. I confirm that the RNLI does have use for both sides channel 31 Duplex and we would wish to review this requirement in consultation with OFCOM on a regular basis.

Yours sincerely
Peter Bradley

PETER BRADLEY
Staff Officer Operations – Communications & Information

The RNLI is the charity that saves lives at sea

Registered in England and Wales (209603) and Scotland (SC037736). Charity number CHY 2678 in the Republic of Ireland



RNLI Response To OFCOM Consultation on:

“Applying spectrum pricing to the maritime sector and new arrangements for the management of spectrum used for radar and aeronautical navigation aids”

Question 1: Do you consider that the fee rates set out in Table 8 for assignments in the eight core international maritime simplex channels are appropriate?
Answer: The RNLI is not qualified to determine the appropriateness of fees covering the eight simplex channels used for port operations as we are not a port operator however the RNLI wishes to note that any increase in cost of port operations must not impact negatively on port operations safety and security.
Question 2: Do our revised proposals reflect appropriately the distinctions between the different uses of particular internationally allocated maritime channels, as set out in Table 9
Answer: Yes
Question 3: Do you agree with our proposals not to set any fees for use of the calling and distress channels, the search and rescue channels, the AIS channels, or for exceptional shore-based use of the intership channels?
Answer: Yes
Question 4: Do you agree with our proposals to set administrative cost-based fees for licences to use the package of 3 marina channels?
Answer: Yes as there is no change
Question 5: Do you agree with our proposal to set administrative cost-based fees for licences to use the internationally-allocated duplex channels?
Answer: Yes
Question 6: Do you consider that the fee rates set out in Tables 10 and 11 for assignments in the UK-allocated working channels (that is, not including the search and rescue or marina channels) are appropriate?
Answer: The opportunity cost for the use of these channels is low and, whilst it may be appropriate in the short term to make use of channels for business purposes and charge accordingly, it is more appropriate to determine a long term strategy for maritime use of available UK channels and determine whether the needs of the maritime industry are being met and whether the future strategic needs of the SAR community are also addressed. The RNLI is also concerned that there is insufficient detail in the charging mechanism in relation to High, Medium and Low density areas.
Question 7: Do our revised proposals correctly identify all of the UK allocated maritime channels which are assigned to specific applications which require a specific approach to fee setting, as set out in table 12
Answer: Yes, however these channels which may be used in other countries needs to be taken into account.
Question 8: Do you agree with our proposal to set no fees to licensees for use of the two UK-allocated search and rescue channels?
Answer: Yes
Question 9: If you are a maritime organisation with the safety of human life in an emergency as your sole or main objective, would you be interested in accessing spectrum for working purposes (ie other than SAR or other emergency response uses) under a private commons basis, shared with other users with the same objectives and co-ordinated by the MCA, and free of any spectrum fee?
Answer: The RNLI wishes to maintain the existing allocated working channel for administration and training purposes but considers that the allocation of a small number of additional working channels available to maritime organisations with the safety of human life in an emergency as their sole or main objective would improve communications for administration and training within those organisations.
Question 10: Do you consider that our proposed fee rates for area-defined Licences (where feasible) in the eight core internationally-allocated maritime simplex channels are appropriate?

<p>Answer: Yes – but the methodology behind the calculation needs more detailed explanation.</p>
<p>Question 11: Do you agree that area-defined licences in the international duplex channels should be based on a minimum cost of £75 for 4 squares, with larger areas priced on a case by case basis?</p>
<p>Answer: The RNLI believes that Area Defined licenses should have a standard minimum defined cost per designated area and that a standard UK wide licence fee is appropriate, however the RNLI still questions the rationale for the use of 50 km squares</p>
<p>Question 12: Do you consider that our proposed fee rates for area-defined licences in the UK allocated working channels (that is, not including the search and rescue channels or the marina channel) are appropriate?</p>
<p>Answer: The RNLI considers that the proposed fee rates for area-defined licences are appropriate and request that the 50% discount rate for charities is applied to these fee rates. Furthermore the RNLI request that OFCOM have a future goal of 100% discount for charities whose sole purpose is saving life and to apply to working channels that are used for SAR training in order to reduce the charity's running costs.</p>
<p>Question 13: Do you agree with our proposal to set an administrative fee of £75 for maritime radio (suppliers and demonstration) licences?</p>
<p>Answer: Yes</p>
<p>Question 14: Do you agree with our proposal to bring the arrangements for temporary maritime licences into line with those in other sectors?</p>
<p>Answer: The RNLI believes that there should be a standard application of temporary licences across all sectors.</p>
<p>Question 15: Do our proposals for phasing in some of the proposed fee increases provide sufficient time for you to accommodate the additional costs, without undue disruption to your operations which could reasonably be avoided by a phasing arrangement? We would like to be able to publish all responses to this question. However, if you wish your response to this question to remain confidential, please provide your response on a separate sheet clearly marked to that effect. Your request for confidentiality will be respected</p>
<p>Answer: The RNLI and other charities should benefit from early introduction but recognises that business and budget planning considerations need to be taken into account by all stakeholders.</p>
<p>Question 16: Do you consider that our phasing proposals for the maritime licences for which we propose to set AIP-based fees are appropriate? If there are particular reasons why you consider that any user or group of users would need longer phasing-in periods, please provide any supporting evidence for us to consider.</p>
<p>Answer: No comment</p>
<p>Question 17: Do you have any further quantified information to contribute to the analysis of financial impacts of the proposed fees on particular spectrum users, as set out in Annex 7? We would like to publish all responses, but will respect the confidentiality of any material, which is clearly marked as such.</p>
<p>Answer: No comment</p>
<p>Question 18: If the Government were to assume the strategic management role for the radar and aeronautical navigation aids spectrum that we propose, do you agree that we should not develop proposals for AIP licence fees?</p>
<p>Answer: The RNLI believes that passing the strategic management of radar to Government will result in better management of this part of the spectrum. Furthermore the RNLI wishes to add that VHF maritime radio spectrum, which is agreed internationally, should also be managed by the Government, for example, the MCA who have an operational understanding of the SAR an safety issues to be debated at IMO and other international assemblies</p>